>

Title: Need to set up a Negotiating Forum for Regional Rural Banks in the country

.

SHRI SUNIL KHAN (DURGAPUR): Regional Rural Banks, popularly known as "Gramin Banks' owe their origin to the urgent need for extending credit facilities to the poorest of the poor in the villages at their doorsteps. During the last three decades 196 RRBs - presently 88, have been operating in and around 598 districts out of 622 districts of the country through a network of 14900 branches. Total number of deposit and credit accounts so far by RRBs has exceeded 9.5 crores. RRBs alone had a predominant share of about 40% of IRDP and other poverty alleviation schemes and organized credit linked around l/3rd of the country's total number of the Self Help Groups. RRB staffs are associated with about 30 types of rural development/service schemes (including NREG scheme). Considering all these they have been tipped as the natural leaders in the 'Field of Finance' as per recommendation of Dr. Rangarajan Committee under N.F.I. Scheme initiated by G.O.I. Also the 88 RRBs are working in the country with highest number of rural Branches and network with a working force of nearly 70,000. But there is no Negotiating forum for RRBs which is fully owned by the Government at the apex level even after 34 years. As per direction of Hon'ble Supreme Court as legal right for 'Officer Representative' and the provision of 'Workman Representative extended by Government of India are yet to extend the same legal right in the board management of respective RRB. It is[1] ridiculous that in this globalization era, over 60% of rural households do not have a Bank A/C as per NSSO data, 45.9 million farmer households in the country (i.e. 51.4%) out of 89.35 million farmer households don't have any access to credit, institutional or informal. In other words 73% of the country's farm households don't have access to formal credit sources.

In order to make the RRBs more responsive to the needs of the rural people, restructuring the RRBs in to 20-21 state/Zonal level Rural Banks under an independent National body i.e. National Rural Bank of India is the need of the hour.

Therefore, in the emerging scenario, I urge upon the Government to fulfill and implement the demands of RRBs.